

NOTICE

NOTICE IS HEREBY GIVEN THAT the Thirty Second Annual General Meeting of Garnet International Limited will be held on Tuesday, 30th September, 2014 at 11: 00AM at 901, Raheja Chambers, Nariman Point, Mumbai - 400 021 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Accounts for the year ended 31st March 2014 and Balance Sheet as on that date along with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ramakant Gaggar (Din No- 01019838) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s. MVK Associates, Chartered Accountants (ICAI Firm Registration No. 120222W), the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the Thirty Sixth AGM of the Company to be held in the year 2018 (subject to ratification of their appointment at every AGM), to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of service tax, travelling and out-of pocket expenses."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT Mr. Dinesh Nandwana (holding DIN 00062532), a non-executive Independent Director of the Company appointed pursuant to the provisions of the Companies Act, 1956 and acting as an Independent Director in accordance with the clause 49 of the Listing Agreement entered into with the Stock Exchange and whose term of office is liable to retirement by rotation and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act is eligible for appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retirement by rotation, for the term of five (5) consecutive years up to 31st March, 2019 pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder."

5. To consider and if thought fit, to pass, with or without modification (s) the following as an ordinary resolution:

"RESOLVED THAT Mr. Sharad Rathi (holding DIN 00437174), a non-executive Independent Director of the Company appointed pursuant to the provisions of the Companies Act, 1956 and acting as an Independent Director in accordance with the clause 49 of the Listing Agreement entered into with the Stock Exchange and whose term of office is liable to retirement by rotation and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act is eligible for appointment and in respect of whom the Company has received a notice in writing proposing his

candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retirement by rotation, for the term of five (5) consecutive years up to 31st March, 2019 pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder."

6. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-

"RESOLVED that in supersession of all the earlier Resolutions Passed in the General Meetings and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) for borrowing from time to time any sum or sums of money, together with the money already borrowed by the Company (apart from temporary Loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) upto Rs. 100,00,00,000/- (Rupees One Hundred Crore only) over and above the aggregate of the paid up capital and free reserves of the Company.

RESOLVED FURTHER that the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

7. To consider and if thought fit to pass with or without modification(s) the following Resolution as Special Resolution:

"RESOLVED THAT in supersession of the earlier Resolution passed by the Company at the General Meeting and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company ("the Board") to create such mortgage, charges and hypothecations in addition to the existing mortgages, charges and hypothecations created by the Company, on such movable and immovable assets and properties of the Company, both present and future and in such manner as the Board may deem fit, in favour of all or any Banks, financial institutions, investment institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to as "the lending agencies") and/or Trustees for the holders of debentures/bonds/other instruments to secure borrowings of the Company by way of loans/issue of debentures/bonds/ other instruments which may be issued for a sum not exceeding Rs. 100,00,00,000/- (Rupees One Hundred Crore only) over and above the aggregate of the paid up capital of the Company and its free reserves, which have been/are proposed to be obtained from or privately placed with lending agencies together with interest thereon at the agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company to the Trustees under the Trust Deeds and/or to the lending agencies under their respective agreements/loan agreements/Debenture Trust Deeds entered into/to be entered into by the Company in respect of the said borrowings.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to finalise with the lending agencies/trustees or any of them, the documents for creating the mortgages/charges/ hypothecations and to accept or make any alterations/changes/ variations to or in the terms and conditions and to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary for the purpose of giving effect to this resolution.

By order of the Board

Place: Mumbai
Dated: 2nd September 2014

SURESH GAGGAR
MANAGING DIRECTOR
DIN No. 00599561

NOTES

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in Item Nos 4 & 5 above and the relevant details of the Directors seeking re-appointment/appointment under Item Nos. 4 and 5 above as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges, are annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organisation. Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting (AGM) are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote in their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and the Transfer Books of the Company will remain closed from 24th September 2014 to 30th September 2014, both days inclusive.
6. Members holding shares in physical form and who have not registered their email IDs, are requested to register the same with Linkintime (RTA).
7. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
8. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Linkintime (RTA).
9. Members may note that the Annual Report 2014, Notice of the AGM and instructions for e-voting will be available on the Company's website www.garnetint.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require the above document(s) in physical form in addition to communication via e-mail or having any other queries, may write to us at info@garnetint.com.
10. All the documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during Business Hours (9.30 a.m. to 5 p.m.) on all working days upto the date of declaration of the result of the AGM of the Company.

11. Register of Directors and Key Managerial Personnel and their shareholding, maintained u/s. 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
12. The Register of Contracts or arrangements in which the Directors are interested, maintained u/s.189 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
13. **Voting through electronic means (e-voting):** Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Clause 35B of the listing agreements, your Company is pleased to provide e-voting facility to the members to exercise their right to vote at the said AGM electronically on all the resolutions set forth in the Notice convening the 27th AGM. Instructions relating to e-voting facility forms has been provided below.
14. **Poll at the meeting :** After all the agenda items have been discussed, the Chairman will order Poll in respect of all the items. Poll will be conducted and supervised under Scrutinizers to be appointed for the purpose. After conclusion of the Poll, the Chairman may declare the meeting as closed. The Results of the Poll aggregated with the Results of e-voting will be announced by the Company on its website www.garnetint.com, and also informed to the Stock Exchanges.
15. **Instructions for Members for voting electronically (e voting) are as under:-**
 - a) Log on to the e-voting website www.evotingindia.com
 - b) Click on "Shareholders" tab.
 - c) Now, select "Garnet International Limited" from the drop down menu and click on "SUBMIT."
 - d) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID). Members holding shares in physical form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
 - e) If you are holding shares in electronic form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - f) For Shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed:

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <p><input type="checkbox"/> Members who have not updated their PAN with the Company/DP are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their demat account number/Folio No., as the case may be, in the PAN field.</p> <p><input type="checkbox"/> In case the Folio No. is less than 8 digits enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Mukesh Jain and Folio No. is 1 then enter MU00000001 in the PAN field</p>
Date of Birth or Date of Incorporation OR Bank Account Number	<p>Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account in dd/mm/yyyy format or enter Folio No.</p> <p style="text-align: center;">OR</p> <p>Enter the Bank Account Number as recorded in your demat account or in the Company's records for the said demat account or Folio No.</p> <p>Please enter any one of the details in order to login. In case both the details are not recorded with the Depository or the Company, please enter the number of shares held in the Bank Account Number field.</p>

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) For Members holding shares in physical form, the login details can be used only for e-voting on the resolutions contained in this Notice. On logging in, Members holding shares in physical form will be directed to the Company selection screen.
- i) Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the electronic holders for voting on resolutions of other companies, as well, on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- j) Click on the EVSN for Garnet International Limited.
- k) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO, as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l) Click on the "Resolutions File" Link if you wish to view the entire Notice.
- m) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- n) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote
- o) You can also take a print of the voting done by you.
- p) If an electronic account holder has forgotten the set password, then he has a 'Forgot password' option to reset the password.

q) Note for Institutional Shareholders:

- Institutional shareholders (i.e. other than Individuals, HUFs, NRIs etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- r) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- a) The e-voting period commences on Wednesday, 24th September, 2014 (9.00 a.m. IST) and ends on Friday 26th September 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in electronic form, as on 19th September 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently.
- b) The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 19th September 2014.
- c) Ms. Suman Sureka of M/s. Suman Sureka and Associates, Practicing Company Secretary (Membership No. FCS 6842), has been appointed as the Scrutinizer to conduct the e-voting process in a fair and transparent manner.
- d) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- e) The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.garnetint.com and on the website of CDSL www.evoting.cdsl.com within two days of the passing of the resolutions at the AGM of the Company on 29th September 2014 and communicated to BSE Limited where the shares of the Company are listed

By order of the Board

Place: Mumbai
Dated: 2nd September 2014

SURESH GAGGAR
MANAGING DIRECTOR
DIN No. 00599561

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4 & 5**

The concept of appointment of Independent Directors has been introduced for the first time under the provisions of Companies Act, 2013 and was made effective from 1st April, 2014. However, your Company being a listed Company, by virtue of clause 49 of the Listing Agreement with Stock exchanges, was required to appoint requisite number of Independent Directors on the Board of Directors ("the Board") of the Company. Accordingly, Mr. Dinesh Nandwana and Mr. Sharad Rathi, Directors of the Company, whose appointment has already been approved by the Board and Members of the Company, are acting as Independent Directors in compliance with the listing requirement at the commencement of the Companies Act, 2013. However their terms are subject to liable by retirement by rotation as per erstwhile Companies Act, 1956.

Section 149 of the Companies Act, 2013 inter-alia provides that every listed public company shall have at least one-third of the total number of directors as Independent Directors and that every company existing on or before the date of commencement of this Act shall, within one year from such commencement or from the date of notification of the rules in this regard as may be applicable; comply with the said requirement.

Further Section 149 of the Companies Act, 2013, inter-alia, provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and their office will not be subject to retirement by rotation. It is further clarified that any tenure of an Independent Director on the date of commencement of this Act shall not be counted as a term of appointment of Independent Directors.

Based on the declaration received from Mr. Dinesh Nandwana and Mr. Sharad Rathi, Directors of the Company in terms of Section 149 (7) of the Companies Act, 2013, the Board is of the opinion that Mr. Dinesh Nandwana and Mr. Sharad Rathi fulfills the criteria of being appointed as Independent Directors as stipulated in Section 149 (6) of the Companies Act, 2013 and other applicable provisions of Companies Act, 2013 and Rules made thereunder and are also independent of the management.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with a deposit of requisite amount proposing the candidature for appointment of aforesaid Directors as Independent Directors.

Details in respect of the aforesaid three Directors are furnished in the Corporate Governance Report. All are eminent personalities in their respective fields. Your Board considers that their continued association with the Company would be of immense benefit to the Company. In view thereof, the Board recommends for approval of the shareholders for the appointment of Mr. Dinesh Nandwana and Mr. Sharad Rathi, Directors of the Company as Independent Directors of the Company pursuant to the provisions of Companies Act, 2013 for a term of five (5) consecutive years upto 31st March, 2019 and to hold office which shall not be liable to determination by retirement of directors by rotation.

Except for Mr Dinesh Nandwana & Mr Sharad Rathi, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4 & 5.

Item No. 6

Section 180(1)(c) of the Companies Act, 2013 states that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the members of the Company accorded by way of a Special Resolution.

The Ministry of Corporate Affairs vide their circular dated 25th March, 2014 has clarified that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12th September, 2013 with respect to borrowings (subject to the limits prescribed) will be valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013 i.e. upto 11th September, 2014.

It is therefore, necessary for the Company to pass a Special Resolution under Section 180(1)(c) and any other applicable provisions if any, of the Companies Act, 2013, and the rules made thereunder, as set out at Item No.6 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money up to Rs. 100,00,00,000/- (Rupees One Crore only) in excess of the aggregate of the paid up share capital and free reserves of the Company

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in the resolution set out at Item No. 6 of this Notice

Item No. 7

To meet its long-term fund requirements, the Company will be required to borrow monies from various lending agencies from time to time including through issue of debenture/bonds. As security for these borrowings/issue of debentures or bonds, the Company is required to create mortgages/charges on certain movable and immovable properties of the Company as may be required as per the terms of the borrowings/issue of debenture or bonds. In

terms of Section 180 (1)(a) of the Companies Act, 2013, it is necessary for the Company to obtain approval of the members by way of a Special Resolution for creation of mortgage/charge/hypothecation in favour of the lending agencies/debenture trustees.

It is hence proposed that the approval of the members be sought to borrow a sum not exceeding 100,00,00,000/- (Rupees One Crore only) over and above aggregate of the paid-up capital and free reserves of the Company, to comply with Section 180(1)(a) of the Companies Act, 2013. Your Directors recommend the resolution set out in item No.7 of the accompanying Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Ramakant Gaggar	Mr. Dinesh Nandwana	Mr. Sharad Rathi
Date of Birth	01.07.1973	06.06.1963	06.06.1968
Date of appointment	24.09.2007	01.04.2005	21.07.2010
Expertise in Specific Functional Area	Finance and Company Law related	Finance	Finance
Qualification	B.Com.	C.A.	C.A.
Directorship held in other Companies	0	8	0
Committee Positions held in other Companies	0	0	0
No of shares held 1. In Person 2.Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)	1029392	0	0

REQUEST TO MEMBERS

- Members are requested to bring their copy of the Annual Report to the Meeting.
- Members who have multiple folios in identical names in the same order are requested to send all the Share Certificates to the Registrar of the Company.

By order of the Board

Place: Mumbai
Dated: 2nd September 2014

SURESH GAGGAR
MANAGING DIRECTOR
DIN No. 00599561